

ATTACHMENT 1

CANTV - Application for International Section 214 Authority

Compania Anonima Nacional de Venezuela (“CANTV” or “Applicant”) hereby seeks limited Global facilities-based authority pursuant to Section 63.18(e)(1) of the Commission’s rules and Global resale authority pursuant to Section 63.18(e)(2) of the rules. This application is limited to services originating in Pennsylvania, Connecticut and Massachusetts.¹ Pursuant to Section 63.18(f), Applicant has applied for the authority provided for in Sections 63.18(e)(1) and (e)(2) of the rules such that the instant application is subject to streamlined processing.

Response to Item 9 – Streamlined Processing

Applicant requests streamlined processing pursuant to Section 63.12 of the Commission’s rules. As demonstrated below, for all of its affiliated destination markets except Gibraltar, the Dominican Republic and Venezuela, Applicant qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission’s rules, as it either owns no facilities or only mobile wireless facilities, or the Commission has otherwise determined that the affiliated foreign carrier lacks market power in that destination market. For purposes of Applicant’s provision of service solely through resale of unaffiliated U.S. facilities-based carriers’ international switched services on the Gibraltar, Dominican Republic and Venezuela routes, the affiliated destination markets are WTO Member countries and the applicant qualifies for a presumption of non-dominance under Section 63.10(a)(4) of the Commission’s rules. Applicant otherwise agrees to be regulated as dominant on these three routes. Moreover, Applicant has previously obtained identical authority for services originating in other states, including in-region state New York. The instant application is therefore subject to streamlined processing.²

¹ Pursuant to Section 271(c)(1)(A), Verizon Communications, Inc. holds authorizations to provide in-region, interLATA services in New York, Pennsylvania, Connecticut and Massachusetts. *See In the Matter of Application by Bell Atlantic New York for Authorization under Section 271 of the Communications Act to provide In-Region, InterLATA Services in the State of New York, Memorandum Opinion and Order*, CC Docket No. 99-295, FCC 99-404 (rel. December 22, 1999); *In the Matter of Application of Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Services in Pennsylvania, Memorandum Opinion and Order*, CC Docket No. 01-138, FCC 01-269 (rel. September 19, 2001); *In the Matter of Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions) And Verizon Global Networks Inc., For Authorization to Provide In-Region, InterLATA Services in Massachusetts, Memorandum Opinion and Order*, CC Docket No. 01-9, FCC 01-130 (rel. April 16, 2001); *In the Matter of Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization to Provide In-Region, InterLATA Services in Connecticut, Memorandum Opinion and Order*, CC Docket No. 01-100, FCC 01-208 (rel. July 20, 2001). As an affiliate of Verizon pursuant to 47 U.S.C. § 153(1) of the rules, applicant may provide interLATA service from points originating in these four states.

² *See* 47 C.F.R. § 63.12(c)(1)(i)-(v).

Response to Item 10 – Switched Services Over Private Lines

Not applicable.

Response to Items 11-13 – Foreign Carrier Affiliations

Section 63.18(i) Information. CANTV hereby certifies that it holds the following foreign carrier affiliations:

- *Venezuela.* CANTV is a foreign carrier authorized to provide telecommunications services in Venezuela. CANTV Venezuela provides facilities-based local exchange, domestic and international interexchange, and wireless telecommunications services in Venezuela.
- *Dominican Republic.* CODETEL is a foreign carrier authorized to provide telecommunications services in the Dominican Republic. Applicant is affiliated with CTI by virtue of Verizon Communications, Inc.'s ("Verizon") indirect ownership interest in both companies. CODETEL provides local, wireless and domestic and international interexchange services in the Dominican Republic.
- *Gibraltar.* Gibraltar NYNEX Communications is a foreign carrier authorized to provide telecommunications services in Gibraltar. Applicant is affiliated with Gibraltar NYNEX by virtue of Verizon's indirect ownership interest in both companies.
- *Argentina.* Compania de Telefonos del Interior S.A. (CTI) is a foreign carrier in Argentina. CTI holds well below 50 percent market share in the international transport and local access markets. Applicant is affiliated with CTI by virtue of Verizon's indirect ownership interest in both companies. CTI is a consortium authorized to provide mobile wireless services in Argentina.
- *Canada.* TELUS Corporation provides telecommunications services within its certificated territory in Alberta and British Columbia. TELUS holds a controlling interest in Clearnet Communications Inc., a nationwide cellular operator in Canada. Quebec Telephone provides telecommunications services within its certificated territory in Quebec. Applicant is affiliated with these foreign carriers by virtue of Verizon's indirect ownership interest in itself and such foreign carriers. The Commission has already determined that Verizon affiliates are entitled to non-dominant treatment on this route³
- *Mexico.* Grupo Iusacell, S.A. de C.V. provides domestic cellular and international telecommunications services in Mexico. Iusacell holds well below 50 percent market

³ See; *GTE Corp. and Bell Atlantic Corp. Memorandum Opinion and Order*, CC Docket No. 98-184, FCC 00-221, ¶¶ 400-422 (rel. June 16, 2000) ("*Bell Atlantic-GTE Order*").

share in the international transport and local access markets. Applicant is affiliated with Iusacell by virtue of Verizon's indirect ownership interest in both companies.

- *The Netherlands.* Verizon Global Solutions Netherlands ("AGS-Netherlands") was formed to provide domestic and international transport and connectivity in the Netherlands. GS-Netherlands holds a Public Network license for the Netherlands. GS-Netherlands commenced operations in 2Q2001. GS-Netherlands will not control bottleneck services or facilities, and it will compete directly with KPN Telecom NV, which the Commission has classified as having market power in the Netherlands
- *United Kingdom.* Verizon Global Solutions U.K. Ltd. (AGS-UK®) was formed to provide domestic and international transport and connectivity in the U.K. GS-UK holds SPL (self-provision), TSL (private line), ISVR (international simple voice resale) and PTO without code Powers (public telecommunications operator) licenses. US-UK commenced operations in 2Q2001. GS-UK will not control bottleneck services or facilities, and it will compete directly with British Telecom, which the Commission has classified as having market power in the U.K.
- *Belgium.* Verizon Global Solutions Belgium B.V.B.A. (AGS-Belgium®) was formed to provide domestic and international transport and connectivity in Belgium. GS-Belgium holds a Public Network license in Belgium. GS-Belgium commenced operations in 2Q2001. GS-Belgium will not control bottleneck services or facilities, and it will compete directly with Belgacom, which the Commission has classified as having market power in Belgium.
- *Germany.* Verizon Global Solutions Germany GmbH (AGS-Germany®) was formed to provide domestic and international transport and connectivity in Germany. GS-Germany holds a Type 3 Network license in Germany. GS-Germany commenced operations in 2Q2001. GS-Germany will not control bottleneck services or facilities, and it will compete directly with Deutsche Telekom AG, which the Commission has classified as having market power in Germany.
- *Ireland.* Verizon Global Solutions Ireland Limited (AGS-Ireland®) was formed to be a reseller of network capacity held and operated by GS-UK, GS-Germany, GS-Belgium, GS-Netherlands and other licensed operating companies established by Verizon subsidiary Verizon Global Solutions, Inc. In most European countries, reseller carriers may operate simply by filing a declaration that they are offering services, and in others no declaration is required for resellers to operate as carriers GS-Ireland will commence operations coincident with the various VGSI operating companies in Europe and will expand operations into other countries as VGSI affiliates are licensed to operate in other European countries. GS-Ireland will not control bottleneck services or facilities.

Section 63.18(j) Information. By this application, CANTV certifies that it seeks to provide international telecommunications services to Venezuela, Gibraltar, the Dominican

Republic, Argentina, Canada, Mexico, the Netherlands, the United Kingdom, Germany, Ireland and Belgium pursuant to Sections 63.18(e)(1) and (e)(2) of the Rules to the extent described in the instant application.

Section 63.18(k) Information. All of the countries listed above are Members of the World Trade Organization.

Section 63.18(l)-(m) Information. Applicant's foreign carrier affiliates in Belgium, Germany, Ireland, Argentina, Mexico, Clearnet in Canada, the Netherlands and the United Kingdom, all hold less than 50 percent market share in the international transport and the local access markets on the foreign end or otherwise lack sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market.⁴ As the Commission has already determined, Verizon affiliates are subject to nondominant treatment on the U.S.-Canada route as to Applicant's other foreign carrier affiliates in Canada (TELUS and QuebecTel).⁵ For these reasons, Applicant is entitled to non-dominant treatment on all these routes.

For purposes of Applicant's service provided solely via the resale of unaffiliated U.S. facilities-based carriers' international switched services, applicant agrees that it will file quarterly traffic reports required pursuant to Sections 63.10(c)(3) and 43.61(c) of the Commission's rules for each of the U.S.-Venezuela, U.S.-Dominican Republic, and U.S.-Gibraltar routes. For these reasons, Applicant is entitled to non-dominant regulatory treatment on these routes for purposes of such service.⁶ Applicant agrees to be classified as a dominant carrier on each of the U.S.-Venezuela, U.S.-Dominican Republic, and U.S.-Gibraltar routes.⁷

Furthermore, the Commission has previously considered the merits of these affiliations and determined that Verizon subsidiaries are entitled to nondominant treatment on the affected routes to the extent described herein.⁸ As discussed below, CANTV has already obtained International 214 authorization for all out of region states and New York to all international points. In addition, the Commission granted Verizon Communications Section 214 authority to provide international facilities-based service pursuant to sections 63.18(e)(1) and (e)(4) of the Commission's rules, originating in the states of Pennsylvania, Connecticut and Massachusetts.⁹ The Commission's findings in these prior adjudications provide an additional basis for deeming Applicant non-dominant on all routes except Venezuela, the Dominican Republic and Gibraltar.

⁴ In this regard, moreover, none of these entities is listed on the Commission's list of foreign carriers presumed to have market power.

⁵ See *Bell Atlantic-GTE Order*, FCC 00-221, at ¶ 418 (rel. June 16, 2000).

⁶ See 47 C.F.R. § 63.10(a)(4).

⁷ See 47 C.F.R. § 63.12(c)(1)(iv); (v).

⁸ See *Public Notice*, Report No. FCN-00051, DA 01-1748 (rel. July 24, 2001) (the public comment cycle expired August 7, 2001); *Bell Atlantic-GTE Order*, FCC 00-221 at ¶¶ 414, 422 (rel. June 16, 2000).

⁹ See *Public Notice*, *International Bureau Telecommunications Division Grants Verizon International Section 214 Authority for Massachusetts*, DA 01-813 (rel. April 16, 2001) (for the U.K. and Netherlands affiliates); *Public Notice*, *International Bureau Telecommunications Division Grants Verizon International Section 214 Authority for Pennsylvania*, DA 01-2190 (rel. September 19, 2001); *Public Notice*, *International Bureau Telecommunications Division Grants Verizon International Section 214 Authority for Connecticut*, DA 01-1745 (rel. July 20, 2001).

Response to Item 15

Section 63.18(d) Information. Applicant has previously received authority under Section 214 of the Act. Specifically, Applicant has obtained authority to operate as a facilities-based carrier in accordance with the provisions of Section 63.18(e)(1) of the rules between the United States and all permissible points. Applicant also has previously obtained authority to provide service in accordance with the provisions of Section 63.18(e)(2) of the Rules between the United States and all permissible points.¹⁰ These authorizations are limited to services originating outside the former Bell Atlantic in-region states, except New York. In addition, Applicant holds authority to operate as a facilities-based, dominant carrier in accordance with the provisions of Section 63.18(e)(1) of the rules between the United States and Venezuela, and between the United States and the Dominican Republic.

Section 63.18(e)(4) Information. Not applicable.

Section 63.18(g) Information. Not applicable.

¹⁰ See ITC-214-20001213-00726, (grant date: 01/12/2001); See ITC-214-20010112-00016, (grant date: 02/14/2001).